

Dealer Guide to Preparing for an Audit...

The Secretary of State's Office strives to make our audits minimally disruptive to a dealer's day-to-day business operations. We know that you have a job to do as well. To this end, we want to ensure you know how to be fully prepared for an audit so things can go as smoothly as possible:

1. Physical Space

The examiner will need a desk, access to an electrical outlet, and access to your records.

2. Interim Plate Information

The documentation to explain why multiple interim plates were issued for the same deal, if applicable.

3. Ownership Documents

For each vehicle available for sale, whichever of the following is applicable:

- title assigned to the dealership
- Certificate of Origin
- completed consignment form
- auction slip

4. Deal Jackets

Each deal jacket should contain all documents relevant to the sale of the vehicle. The documents needed will vary somewhat by transaction, but generally include the following:

- Bill of Sale
- Form ST108 (retail only), ST108E (retail only) or ST108NR
- Copy of reassigned title (both front and back)
- Branded title information
- Financing agreement
- Verifiable export document
- 31 day title delivery affidavit
- Federal Buyers Guide
- Consumer disclosure(s)
- Consumer waiver(s)
- Documents necessary to support the explanation of any unusual circumstances surrounding the sale or transaction.

5. Licensure documents

Be ready to present your insurance policy, bond, and dealer license.

Failure to provide the required books and records could result in a failed audit.